

**PART 1240—SAFETY INCENTIVE
GRANTS FOR USE OF SEAT
BELTS—ALLOCATIONS BASED ON
SEAT BELT USE RATES**

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AUTHORITY: 23 U.S.C. 157; delegations of authority at 49 CFR 1.48 and 1.50.

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Subpart A—General

§ 1240.1 Purpose.

This part establishes requirements and procedures governing the allocation of funds to States made under 23 U.S.C. 157(c), based on seat belt use rates.

§ 1240.2 Applicability.

These procedures apply to all allocations of funds to States, based on seat belt use rates, beginning with allocations for fiscal year 1999.

§ 1240.3 Definitions.

As used in this part—

Base seat belt use rate means the highest State seat belt use rate for the

State for any calendar year during the period from 1996 through the calendar year preceding the previous calendar year;

Federal medical savings means the amount of Federal budget savings relating to Federal medical costs (including savings under the Medicare and Medicaid programs under titles XVIII and XIX of the Social Security Act (42 U.S.C.1395 *et seq.*)), as determined under this part;

FHWA means the Federal Highway Administration;

NHTSA means the National Highway Traffic Safety Administration;

Passenger motor vehicle means a passenger car, pickup truck, van, minivan, or sport utility vehicle;

State means any of the fifty States, the District of Columbia, or Puerto Rico.

State seat belt use rate means the seat belt use rate for a State, rounded to the nearest tenth of one percent, after any required weighting, adjustment, or substitution under this part, that is used in determining eligibility for and the amount of an allocation under this part.

Subpart B—Determination of Allocations

§ 1240.10 Identification of eligible States.

(a) On or about September 1, 1998, and each September 1 thereafter, NHTSA will identify, on the basis of seat belt use rates determined, as applicable, under §§1240.11, 1240.12, and 1240.13 of this part—

(1) Each State that had a State seat belt use rate during the previous calendar year and the year preceding the previous calendar year that exceeded the national average seat belt use rate for each of those years; and

(2) Each State that does not meet the requirements of paragraph (a)(1) of this section and that had a State seat belt use rate during the previous calendar year that exceeded the State's base seat belt use rate.

(b) Any seat belt use rate used in making the determinations under this part shall be rounded to the nearest tenth of one percent.

(c) A State identified under paragraph (a)(1) or (a)(2) of this section, and not ineligible under § 1240.12(a)(2) of this part, shall receive an allocation of funds reflecting the Federal medical savings, in accordance with the procedures of §§ 1240.14 and 1240.15 of this part.

§ 1240.11 Determination of State seat belt use rate for calendar years 1996 and 1997.

(a) *Review of State-submitted information.* NHTSA will review available seat belt use rate information submitted by each State for calendar years 1996 and 1997 to determine whether—

(1) Measurements of seat belt use were based on direct observation;

(2) At least 70 percent of observation sites were surveyed during the calendar year for which the seat belt use rate is reported;

(3) All passenger motor vehicles were sampled; and

(4) All front seat outboard occupants in the sampled vehicles were counted.

(b) *Determination of State seat belt use rate.* Seat belt use rate information submitted by a State for calendar year 1996 or 1997 will be—

(1) Accepted as the State seat belt use rate if it satisfies paragraphs (a)(1), (a)(2), (a)(3), and (a)(4) of this section.

(2) Accepted after adjustment in accordance with the procedures of Appendix A of this part, as the State seat belt use rate, if it satisfies paragraphs (a)(1) and (a)(2) of this section, but fails to satisfy paragraph (a)(3) or (a)(4) of this section.

(3) Rejected, and the procedures of Appendix B of this part shall apply, if it fails to satisfy paragraph (a)(1) or (a)(2) of this section.

§ 1240.12 Determination of State seat belt use rate for calendar year 1998 and beyond.

(a) *State seat belt use survey.*

(1) Beginning in calendar year 1998, State seat belt use rates used for determining allocations under this part shall be based on a survey conducted each calendar year by each State that satisfies all the requirements of Part 1340 of this title (the Uniform Criteria for State Observational Surveys of Seat Belt Use).

(2) A State that does not conduct a survey required under paragraph (a)(1) of this section in any calendar year, or that conducts a survey that does not satisfy all the requirements of part 1340 of chapter III of this title, shall be ineligible for an allocation of funds on the basis of both § 1240.10(a)(1) and § 1240.10(a)(2) of this part during the second and third succeeding fiscal years (e.g., if a State fails to conduct a conforming survey in calendar year 1998, the State is ineligible for an allocation of funds during FY 2000 and FY 2001).

(b) *Submission of survey information.*

(1) Each State shall submit to NHTSA, no later than March 1st after the calendar year during which a survey required under paragraph (a)(1) of this section is conducted, the seat belt use rate determined under the survey, reported as a percentage to one decimal place, accompanied by a survey report, consisting of all documentation identified in § 1340.5 of chapter III of this title and summarizing the results of any analyses conducted under the survey.

(2) NHTSA will review a survey report submitted under paragraph (b)(1) of this section to determine whether the survey complies with all the requirements of § 1340 of chapter III of this title. Written notice of approval or disapproval of a survey will be sent to the Governor's Representative for Highway Safety within 30 days of receipt of the survey report. Any notice of disapproval will be accompanied by a detailed statement of the reasons for disapproval.

(3) A State may elect to submit a description of its proposed survey methodology, consisting of all documentation identified in § 1340.5 (a), (b) and (c)(3) of chapter III of this title for advance review, prior to conducting the survey.

(4) NHTSA will review a proposed survey methodology submitted under paragraph (b)(3) of this section and inform the Governor's Representative for Highway Safety in writing within 30 days of receipt of the proposed methodology whether the survey, if conducted in accordance with the methodology, would comply with all the requirements of § 1340 of chapter III of this

title. Any notice indicating non-compliance will be accompanied by a detailed statement of the reasons.

(5) A State that submits a description of its proposed survey methodology under paragraph (b)(3) of this section continues to be required to submit all information required under paragraph (b)(1) of this section, after the State conducts its survey, for review under paragraph (b)(2) of this section.

(c) *Submission of Certification—calendar year 1998 surveys.*

(1) A survey conducted by a State in calendar year 1998 shall be deemed to comply with the requirements of § 1340 of chapter III of this title, if—

(i) The survey's design was approved by the agency, in writing, on or after June 29, 1992, for the purposes of the grant program authorized under 23 U.S.C. 153;

(ii) The survey design has remained unchanged since the survey was approved (except to the extent that the requirements of paragraph (c)(1)(iii) constitute a change); and

(iii) The survey samples all passenger motor vehicles, measures seat belt use by all front seat outboard occupants in the sampled vehicles, and counts seat belt use only within the calendar year for which the seat belt use rate is reported.

(2) A State that meets the requirements of paragraph (c)(1) of this section shall submit a certification signed by the Governor's Representative for Highway Safety, in the form prescribed in Appendix C of this part, accompanied by the information required under paragraph (b)(1) of this section.

(3) Written notice of acceptance or rejection of a certification will be sent to the Governor's Representative for Highway Safety within 30 days of receipt of the information required under paragraph (c)(2) of this section. Any notice of rejection will be accompanied by a detailed statement of the reasons for rejection.

(d) *Determination of State seat belt use rate.* The seat belt use rate submitted by the State for a calendar year will be accepted as the State seat belt use rate for that calendar year if—

(1) It was determined under a survey whose survey report was approved

under paragraph (b)(2) of this section; or

(2) For calendar year 1998 only, the State satisfies the requirements of paragraphs (c)(1) and (c)(2) of this section, and its certification is accepted under paragraph (c)(3) of this section.

§ 1240.13 Determination of national average seat belt use rate.

The national average seat belt use rate for a calendar year shall be the sum of the individual State seat belt use rates for all the States, after weighting each individual State seat belt use rate in accordance with the procedures of Appendix D of this part.

§ 1240.14 Determination of Federal medical savings and notification of proposed allocations.

On or about September 1, 1998, and each September 1 thereafter, NHTSA will—

(a) Calculate, in accordance with the procedures in Appendix E of this part, the Federal medical savings and each State's share of those savings, due to the amount by which the State seat belt use rate for the previous calendar year—

(1) Exceeds the national average seat belt use rate for that calendar year, for each State described in § 1240.10(a)(1) of this part; or

(2) Exceeds the State's base seat belt use rate, for each State described in § 1240.10(a)(2) of this part; and

(b) Notify the States described in § 1240.10(c) of this part of their proposed allocations, which shall be equal to the amount of the Federal medical savings calculated under paragraphs (a)(1) and (a)(2) of this section, as applicable, reduced proportionately across all States if the allocations would exceed the total amount authorized for allocation during the fiscal year.

§ 1240.15 Allocations.

(a) Funds allocated under this part shall be available for any projects eligible for assistance under title 23, United States Code.

(b) Not later than 25 days after notification under § 1240.14(b) of this part, the Governor's Representative for Highway Safety and the Secretary of

the State's Department of Transportation for each State that receives notification shall jointly identify, in writing to the appropriate NHTSA Regional Administrator and FHWA Division Administrator, the amounts of the State's proposed allocations that will be used in highway safety programs and in Federal-aid highway programs.

(c) On or about October 1, 1998, and each October 1 thereafter, the funds to which a State is entitled under this part will be allocated in the proportions identified by the State under paragraph (b) of this section, reduced proportionately across all States if the allocations would, in the aggregate, exceed total obligation limitations applicable to 23 U.S.C. 157.

(d) Thereafter, each State shall identify specific NHTSA program areas and FHWA projects for which the allocated funds will be used.

APPENDIX A—ADJUSTMENT PROCEDURES FOR STATE-SUBMITTED INFORMATION (CALENDAR YEARS 1996 AND 1997)

A. In States where State-submitted information on seat belt use rates does not include data for Front outboard occupants in passenger motor vehicles (FOPV), an adjustment will be made based on the national ratio of seat belt use rates for FOPV to the seat belt use rate for the group of occupants and vehicles that were included in the State-submitted information. The national seat belt use rates will be derived from the most recent National Occupant Protection Use Survey (NOPUS). For each affected State, the adjustment will be made by dividing the NOPUS seat belt use rate for FOPV by the NOPUS seat belt use rate for the surveyed group, or the seat belt use rate for the closest available group to the surveyed group. The NOPUS seat belt use rate for FOPV will be derived for each affected State by weighting the NOPUS seat belt use rates for passenger cars and for passenger motor vehicles that are not passenger cars (hereafter LTVs) by the relative number of registrations of passenger cars and LTVs in each State. This method will produce a factor which will be multiplied by the State's survey-based seat belt use rate to produce an adjusted seat belt use rate reflecting the required vehicle and occupant population.

B. The process may be expressed mathematically as follows:

$$U_a = U_s((N_{pc} * R_{pc} + N_{ltv} * R_{ltv}) / N_s)$$

Where:

U_a = the adjusted State seat belt use rate

U_s = the State-submitted seat belt use rate

N_{pc} = the national front outboard passenger car seat belt use rate from NOPUS

N_{ltv} = the national front outboard LTV seat belt use rate from NOPUS

R_{pc} = the portion of State passenger motor vehicle registrations that are passenger cars

R_{ltv} = the portion of State passenger motor vehicle registrations that are LTVs

N_s = the national seat belt use rate for the State-surveyed vehicle and occupant population (or closest available group from NOPUS)

APPENDIX B—PROCEDURES FOR MISSING OR INADEQUATE STATE-SUBMITTED INFORMATION (CALENDAR YEARS 1996 AND 1997)

A. If State-submitted seat belt use rate information is unavailable or inadequate for both calendar years 1996 and 1997, State seat belt use rates for calendar years 1996 and 1997 will be estimated based on seat belt use rates of fatally-injured occupants. Data from the Fatality Analysis Reporting System (FARS) will be translated into estimated observed seat belt use rates using an algorithm that relates historical belt use by fatally-injured occupants to observed use.¹

B. The algorithm is as follows:

$$u = (-.221794 + \sqrt{.049193 + .410769F}) / .456410$$

Where:

u = the estimated observed seat belt use

F = the seat belt use in potentially fatal crashes

In the above formula, F is calculated as follows:

$$F = (f / (1 - e)) / ((f / (1 - e)) + 1 - f)$$

Where:

F = the seat belt use in potentially fatal crashes

e = State-specific weighted average effectiveness of seat belts in passenger cars and passenger motor vehicles that are not passenger cars

f = State-specific seat belt use rate of fatally-injured occupants of passenger vehicles

C. If State-submitted seat belt use rate information is available for either calendar year 1996 or 1997, but not both, a State seat belt use rate for the year for which information is missing will be estimated by calculating the percent change in the FARS-based observed seat belt use rate (derived from the above algorithm) between the two years. This factor will then be applied to the seat belt use rate from the known year to derive

¹Blincoe, L.J. *Estimating the Benefits of Increased Safety Belt Use*. Washington, DC: U.S. Department of Transportation, NHTSA, DOT HS 808 133, June, 1994.

an estimate of the seat belt use rate for the unknown year.

APPENDIX C—CERTIFICATION (CALENDAR YEAR 1998 SURVEY BASED ON SURVEY APPROVED UNDER 23 U.S.C. 153)

State Certification—Calendar Year 1998 Seat Belt Use Survey

State of _____
 Seat Belt Use Rate Reported for Calendar Year _____ : _____ %.

In accordance with the provisions of 23 CFR 1240.12(c)(2), I hereby certify as follows:

1. The seat belt use rate reported above is based on a survey whose design was approved by NHTSA, in writing, on or after June 29, 1992, under the provisions of the grant program authorized by 23 U.S.C. 153.

2. The survey design has remained unchanged since the survey was approved (except to the extent that the requirements of paragraph 3 constitute a change).

3. The survey samples all passenger motor vehicles (including cars, pickup trucks, vans, minivans, and sport utility vehicles), measures seat belt use by all front outboard occupants in the sampled vehicles, and counts seat belt use completely within the calendar year for which the seat belt use rate is reported.

 Governor's Representative for Highway Safety

 (Date)

APPENDIX D—DETERMINATION OF NATIONAL AVERAGE SEAT BELT USE RATE

A. To determine the national average seat belt use rate in a calendar year, each State seat belt use rate for the calendar year will be weighted to reflect the percentage of total national vehicle miles traveled attributable to that State.

B. If a State seat belt use rate is unavailable for a State during a calendar year (either because the State did not conduct a seat belt use survey or a survey was conducted but does not comply with the Uniform Criteria for State Observational Surveys of Seat Belt Use, 23 CFR Part 1340), NHTSA will calculate a State seat belt use rate, using the last available State seat belt use rate determined under §1240.11 or §1240.12 of this part, as applicable, along with information on seat belt use rates from the FARS, and an algorithm relating FARS seat belt use rates to observed seat belt use rates (see Appendix 1, note). This procedure will produce an estimated State seat belt use rate for the unknown calendar year. The estimated State seat belt use rate will then be weighted in

the manner described in paragraph A of this appendix.

C. The national average seat belt use rate for the calendar year will be determined by adding the weighted State seat belt use rates for each of the States (i.e., the national average seat belt use rate is the weighted average of all the State seat belt use rates).

D. NHTSA may elect to use a seat belt use survey that does not comply with the Uniform Criteria for State Observational Surveys of Seat Belt Use in determining the national average seat belt use rate (even though the State that submitted the survey is ineligible to receive an allocation of funds), if in NHTSA's judgment, the deficiencies in the survey are not so substantial as to render the survey less accurate than the FARS estimate.

APPENDIX E—DETERMINATION OF FEDERAL MEDICAL SAVINGS

A. To determine the savings to the Federal Government from reduced medical costs attributable to seat belt use, NHTSA will first estimate the impact of seat belt use on the number of fatalities and injuries, using methods described in the report "Estimating the Benefits from Increased Safety Belt Use."¹ These methods establish a relationship between the effectiveness of seat belts, current use rates, and existing injury levels to determine the impact of increasing seat belt use on motor vehicle safety. Using these methods, NHTSA will estimate the fatalities prevented and the non-fatal injuries avoided by increased seat belt use.

B. In the 1996 report "The Economic Cost of Motor Vehicle Crashes, 1994,"² NHTSA measured both the medical costs and payment sources for motor vehicle crashes. NHTSA will adjust the national medical cost figures from this report to individual State income levels to reflect local cost levels. These per-case costs will be further adjusted for inflation, using the most recent annual average Consumer Price Index for medical care, and then multiplied by the injuries and fatalities prevented in each State to derive the total medical care savings from increased seat belt use. The Federal portion of these costs will be derived from the best available data found in the same cost report or in other sources, as they may become available.

¹Blincoe, L.J. *Estimating the Benefits of Increased Safety Belt Use*. Washington, DC: U.S. Department of Transportation, NHTSA, DOT HS 808 133, June, 1994.

²Blincoe, L.J. *The Economic Cost of Motor Vehicle Crashes, 1994*. Washington, DC: U.S. Department of Transportation, NHTSA, DOT HS 808 425, July, 1996.